

Open Session Minutes

California State Lands Commission
Virtual Meeting of October 21, 2021

COMMISSIONERS AND STAFF PRESENT:

COMMISSIONERS:

Eleni Kounalakis, Lieutenant Governor (Matt Dumlao, Chief of Staff and Alternate, participated for Items 21, 32, Closed Session, and adjournment of the meeting)

Betty T. Yee, State Controller

Gayle Miller, Chief Deputy Director and Alternate for Director of the Department of Finance, Keely Bosler

STAFF MEMBERS:

Jennifer Lucchesi, Executive Officer

Seth Blackmon, Chief Counsel

REPRESENTING THE OFFICE OF THE ATTORNEY GENERAL:

Andrew Vogel, Supervising Deputy Attorney General

NOTE: The final approved Minutes also include the Agenda and corresponding staff reports (incorporated into the draft Minutes by reference) approved as presented unless otherwise indicated in the Record of Action. A list of individuals making statements before the Commission and the entities they represent, along with the Executive Officer's Report, are included in a complete transcript of the proceedings, which is on file in the Sacramento offices of the Commission and posted on the Commission's website at www.slc.ca.gov. Also included on the website is the voting record of the meeting with the staff report for each agenda item linked to the respective consent, regular or informational item number. A link to a recorded Cal-span.org webcast of the meeting is also available on the Commission's website. All of these items may be found under Previous Meetings, by date of the meeting.

RECORD OF ACTION TAKEN BY THE CALIFORNIA STATE LANDS COMMISSION:

Chair Eleni Kounalakis called the meeting of the California State Lands Commission to order at 1:00 P.M. via Zoom webcast; also present were Commissioner Betty Yee and Commissioner Alternate Gayle Miller.

Confirmation of the Minutes of the August 25, 2021, meeting was approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes).

EXECUTIVE OFFICER'S REPORT:

Executive Officer Jennifer Lucchesi updated the Commission on the following items:

- **Pipeline P00547/Orange County Oil Spill Update:** On October 2, the U.S. Coast Guard received a report of an oil sheen off the coast of Newport Beach. A Unified Command composed of representatives of the U.S. Coast Guard (USCG), California Department of Fish and Wildlife's Office of Spill Prevention and Response (OSPR) and Amplify Energy Corp (the Responsible Party) was established that same afternoon. Over the course of the response, a representative of Orange County and a representative of San Diego County joined the Unified Command, both as the local government on-scene coordinators.

The approximate 17.7-mile-long pipeline at issue transports crude oil from the federal Platform Elly through federal waters into state waters and terminates at the Port of Long Beach near the Queen Mary. An approximate 4.4-mile section of the pipeline is under lease from the State Lands Commission. Lease No. 5636 authorizes the operation and maintenance of a 16-inch diameter pipeline from where it enters the State's 3-mile jurisdiction, from Platform Elly in federal waters, to the legislative tidelands grant area that the City of Long Beach owns and manages in trust on behalf of the State. This lease was originally issued to Shell Oil Company in 1979. The line was installed in 1980 in conjunction with the construction of platforms in federal waters.

Since that time, the Commission has authorized a series of lease renewals, assignments, rent reviews, and other actions. The Commission's current lessee for this section of the pipeline is the San Pedro Bay Pipeline Company, a subsidiary of Amplify Energy Operations. The Commission is working closely with the Unified Command and other state and federal partners in the response efforts. We are also working with local officials and state legislators on responding to questions

and providing information about the Commission's jurisdiction and authorities as requested.

OSPR Administrator Tom Cullen provided a comprehensive update on the state's spill response efforts.

- **American Rescue Plan Act: COVID-19 relief funding for Ports:** In this year's state budget, the Commission received \$250 million of federal Coronavirus fiscal recovery funds for appropriation to California ports impacted by the pandemic state of emergency. Commission staff released its [application package](#) on October 8. Ports have a sizable impact on the state's recovery effort; approximately 1 million California jobs are linked to trade activities at the 11 public ports and an infusion of federal funds will have a significant impact in targeting the unemployed residents of port communities by helping ports to rehire or bring on new essential workers, as well as retaining existing employees. Ports that rely on tourism-based revenue will particularly benefit from these federal funds given the disproportionate impact the pandemic had on tourism-related industries.

Commission staff worked closely with the Department of Finance to develop its application package and is accepting ARPA recovery fund requests through November 8. The application documents are available on the Commission's website, and staff has provided them to the ports and harbor districts. Staff will evaluate port applications in the coming weeks and anticipates that the Commission will consider disbursements at its December 8 public meeting.

- **Platform Holly/Piers 421 Decommissioning (South Ellwood) Project:** Plug and abandonment work on Platform Holly resumed earlier this month—528 days after the pandemic shut down this work. As an important milestone, well 3242-6 became the first well plugged to surface this month. Twenty-nine more wells to go.

Staff continues to maintain and monitor Platform Holly and the onshore facilities to ensure public health and safety. In September, staff, ExxonMobil, and their subcontractors reactivated the rig equipment that was mothballed during the COVID-19 shutdown and a full 24-hour rig crew returned to the platform on October 1. Plug and abandonment is planned to continue uninterrupted until all wells are plugged, which is estimated to take approximately 12-18 months. Staff is working collaboratively with ExxonMobil, their subcontractors, and CalGEM to ensure that the work ahead is conducted safely, effectively, and efficiently, and to reduce costs where possible.

Staff continues to develop an Environmental Impact Report (EIR) for the PRC 421 decommissioning project to remove derelict oil piers and associated infrastructure on Haskell's Beach in Goleta. Staff is coordinating with the City of Goleta and the Coastal Commission as part of a Joint Review Panel for this EIR. The Joint Review Panel works collaboratively as the Environmental Impact Report is developed, which allows each agency to review the analysis at the draft stage and ensures the science underlying the document is rigorous and supported. Staff anticipates releasing a draft Environmental Impact Report in the second half of November, with a 45-day public review period, and starting the decommissioning and removal in August 2022.

- **Hollister Ranch Public Access Program:** Last week, the California Coastal Commission postponed its first public workshop on a draft Coastal Access Program. The workshop was postponed because of the Alisal fire that was burning along the Gaviota coastline near Hollister Ranch. The purpose of the workshop was to hear from the Commissioners and the public regarding additional thoughts, concerns, ideas, and questions about the draft Coastal Access Program. The workshop is now being scheduled for November.
- **In Memory of Fred Collins, Chairman of the Northern Chumash Tribal Council:** The Executive Officer acknowledged the passing of Fred Collins, Chairman of the Northern Chumash Tribal Council, earlier this month. Chairman Collins was a fearless and tireless advocate for the protection of Native American lands and cultural sites, as well as for the rights of nature and the ocean's living creatures. Chairman Collins was the driving force behind the proposed Chumash Heritage National Marine Sanctuary, which is pending designation by the federal government, and which would ensure the protection of a culturally and biologically important stretch of California's coast and ocean. Chairman Collins was involved in many of the Commission's activities including the fate of the Diablo Canyon Nuclear Power Plant, the decommissioning of the Morro Bay Power Plant, and the current planning for offshore wind. He was a thoughtful collaborator and consistently strived to provide detailed, substantive comments on the Commission's environmental documents, which always resulted in meaningful improvements to project evaluations and well-informed Commission decisions. The Commission is honored and grateful to have worked with and learned from Chairman Collins over many years. We send our heartfelt condolences to his family and loved ones.

CONSENT CALENDAR

- Consent Items 13, 23, and 24 were removed from consideration
- Consent Item 21 was moved to the Regular Calendar
- Consent Items 01-12, 14-20, 22, and 25-28 were approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes)

INFORMATIONAL CALENDAR

Item 29 – was informational – no vote required

REGULAR CALENDAR

(Items appear in order heard)

Item 30: A staff presentation was made to the Commission to consider amendment of Lease 6414, a General Lease – Public Agency Use; and an endorsement of a sublease, of filled sovereign land located within the Candlestick Point State Recreation Area in the City and County of San Francisco; to authorize the use of an existing paved parking lot for a proposed Safe Parking Area and Vehicle Triage Center.

Item 30 – was approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes)

Item 31: A staff presentation was made to the Commission to consider authorization for abandoned vessel removal and contracting activities in Sevenmile Slough, near Isleton, Sacramento County.

Item 31 – was approved as presented by a vote of 3-0 (Kounalakis–Yes; Yee–Yes; Miller–Yes)

Item 32: A staff presentation was made to the Commission to consider delegation of authority for the Executive Officer to solicit Statements of Interest for consultant services, negotiate fair and reasonable prices, and award and execute agreements for the preparation of environmental documentation and mitigation monitoring for two proposed offshore wind energy projects in the Pacific Ocean, near Vandenberg Space Force Base, Santa Barbara County.

Item 32 – was approved as presented by a vote of 3-0 (Dumlao–Yes; Yee–Yes; Miller–Yes)

Consent Item 21: A staff presentation was made to the Commission to consider termination of Lease Number PRC 2171, a General Lease – Public Agency Use and application for a General Lease – Public Agency Use and Dredging, of sovereign land

located in the Lower Santa Ana River, Orange County; for two riprap flood control jetties, one riprap dike, and maintenance dredging in the Lower Santa Ana River. CEQA Consideration: categorical exemption and Supplemental Environmental Impact Statement, prepared by the U.S. Army Corps of Engineers, and Addendum prepared by the Orange County Flood Control District.

Consent Item 21 – was approved as presented by a vote of 3-0 (Dumlao–Yes; Yee–Yes; Miller–Yes)

(The State Lands Commission adjourned into closed session from 5:32 P.M. to 5:36 P.M., then resumed open session at 5:37 P.M.)

CLOSED SESSION

The Commission considered and rejected a proposed settlement offer by the Casa Blanca Beach Estates Owners' Association.

The Commission meeting public session was adjourned at 5:37 P.M.

STAFF AND PUBLIC ADDRESSING THE FOLLOWING STAFF REPORTS:

PUBLIC COMMENT

- Gary Estes, Protect American River Canyons
- Marcia Hanscom, Sierra Club Ballona Wetlands Restoration Committee
- Lisa Levinson, In Defense of Animals
- Jane Velez-Mitchel

ITEM 30

Al Franzoia, Public Land Manager Specialist, Lands Management Division, CSLC

Emily Cohen, Deputy Director for Communications & Legislative Affairs, San Francisco Department of Homelessness and Supportive Housing

- Tanya Boyce, Bayview Hunters Neighborhood Association
- Steven Currier
- Eric
- Abe Evans, Representing President Shamann Walton; San Francisco Board of Supervisors
- Michael Janis
- Kent
- Shirley Moore
- Karen Pierce
- Michelle Pierce, Bayview Hunter's Point Community Advocates
- Nicole Restmeyer, representing Assemblymember David Chiu
- Timothy Alan Simon
- Barb T.
- Gwendolyn Westbrook, The United Council of Human Services
- Lucas Williams, Bayview Hill Neighborhood Association

ITEM 31

Vicki Caldwell, Public Land Manager, Land Management Division, CSLC

- Sergeant Darron Epperson, Enforcement Detail Supervisor, Sacramento County Sheriff's Office

ITEM 32

Jennifer Mattox, Environmental Program Manager, Executive Office, CSLC

Mikael Jakobsson, Founder and Chairman, Cierco

Bruno Geschier, Chief Sales and Marketing Officer, BW Ideol

- Sandy Aylesworth, Natural Resources Defense Center
- Jessie Barrios, Port San Luis Commercial Fishermen's Association
- Delia Bense-Kang, Surfrider Foundation SLO Chapter
- Mike Conroy, Executive Director, Pacific Coast Federation of Fishermen's Association
- Lauren Cullum, Sierra Club California
- Armando Delgado, Southwest Carpenters Local 805
- Garry George, National Director, Clean Energy Initiative at Audubon
- Tom Hafer, President, Morro Bay Commercial Fishermen's Organization
- Kristen Hislop, Environmental Defense Center
- Jeff Hunerlach, Building and Construction Trades Council of Humboldt and Del Norte counties
- Peter Jones, Environmental Defense Center
- Kate Kelly, Defenders of Wildlife
- Nancy Kirshner-Rodriguez, Business Network for Offshore Wind
- Joshual Medrano, Tri-Counties Building and Construction Trades Council San Luis Obispo, Santa Barbara and Ventura counties
- Andrew Meredith, State Building & Construction Trades Council of California
- Joel Merriman, American Bird Conservancy
- Alex Perez, Southwest Regional Council of Carpenters
- Nancy Rader, California Wind Energy Association
- Martin Rodriguez, Tri-Counties Building Trades, Iron Workers Local 433
- Alison Rowe, Monterey Bay Aquarium
- Michael Stocker, Ocean Conservation Research
- Josh Taylor, Southwest Regional Council of Carpenters

CONSENT ITEM 21

Drew Simpkin, Public Land Management Specialist, Land Management Division, CSLC

- Penny Elia, Sierra Club Orange County Conservation Committee
- Robb Hamilton
- Dan Silver, Endangered Habitats League
- Catherine Steinberg, Sea and Sage Audubon Society
- Scott Thomas, Sea and Sage Audubon Society
- James Volz, Orange County Flood Control District